FSA
FARM SERVICE AGENCY

Delaware County News

October 2009

Delaware County USDA Service Center

Delaware County FSA
557 Sunbury Rd, Suite C
Delaware OH 43015
740-363-3671 (phone)
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www.fsa.usda.gov/oh

Hours
Monday – Friday
8:00 am – 4:30 pm

County Committee
Ed R Reely, Chair
Dwight Piper, Vice Chair
Scott Bauder, Member
Carolyn Skinner, Advisor

County Committee meets 2nd Tuesday, 8:30 am

Staff
Don Henry, CED
Margaret Webster, PT
Patty Hope, PT
Julie Faurote, PT
Hal Clase, Field Reporter

USDA

Livestock Forage Disaster Program

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to: drought conditions or fire on federally managed land.

Eligible livestock producers may receive assistance for eligible livestock grazing losses that occur due to drought or fire on or after January 1, 2008, and before October 1, 2011, during the calendar year in which the loss occurs.

County committees can only accept applications after being notified by the National Office of qualifying drought, or if Federal agency prohibits producers from grazing normal permitted livestock on Federal managed lands due to qualifying fire.

FSA began accepting 2008 calendar year applications September 14, 2009. The applications must be filed in the producers Administrative County office no later than **December 10, 2009** to be considered timely filed. **No late filed applications will be accepted**.

For 2009 and subsequent years, sign-up applications must be filed no later than 30 calendar days after the end of the calendar year in which the grazing losses occurred. Losses must occur in the calendar year the application is being filed.

The monthly payment rate will be an amount equal to 60 percent of the lesser of either the monthly feed cost.

- For all covered livestock, owned or leased by the eligible livestock producer;
- Calculated by using the normal carrying capacity of the eligible grazing land of the eligible livestock producer.

Drought eligibility criteria require that the drought must have occurred on or after January 1, 2008, and before October 1, 2011.

For drought, the losses must have occurred on land that is:

- Native or improved pastureland with permanent vegetative cover, or planted to a cropland specifically for grazing for covered livestock.
- Because of a qualifying drought during the normal grazing period for the specific type of pastureland or grazing land in the county during the calendar year.

Additional information about LFP is available at your local FSA office.

Final Payments for 2009 DCP

Enrolled producers can expect their final direct payment to be deposited directly into personal bank accounts sometime during the first few weeks of October.

Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after Sept. 30 which is the end of the fiscal year. The direct payment for a crop equals 85 percent of the farm's base acreage times (x) the farm's direct payment yield times (x) the direct payment rate.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Countercyclical Program payments you are about to receive.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to $300,000. Guaranteed loans can reach a maximum indebtedness of $ 1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information, contact your local FSA county office to setup an appointment with a Loan Approval Official.

County Committee Elections

Just a reminder: Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 6, 2009. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 7, 2009.

Maintaining Stored Grain Quality

Producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

USDA Announces 2010 DCP and ACRE Sign-up Begins

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) and the Average Crop Revenue Election (ACRE) program has begun and will continue **through June 1, 2010**. USDA will not accept any late-filed applications. USDA urges producers to make use of the eDCP automated website to sign-up, or producers can visit any USDA Service Center to complete their 2010 DCP or ACRE contract.

The electronic DCP (or eDCP) service saves producers time, reduces paperwork and speeds up contract processing at USDA Farm Service Agency (FSA) offices. It is available to all producers who are eligible to participate in the DCP Program and can be accessed at: www.fsa.usda.gov/dcp and then click on the "Access eDCP Services" link, under the "I Want to Section". To access the service, producers must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at: http://www.eauth.egov.usda.gov and then click on the "Create an Account Page" link, and lastly followed by a visit to the local FSA Service Center for identity verification.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For the 2010 crop, the 2-year price average will be based on the 2008 and 2009 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.
The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

For more information on DCP or ACRE, please visit your FSA county office or www.fsa.usda.gov/dcp .

Selecting and Changing MILC Payment Start Month

Dairy producers who are enrolled in the Milk Income Loss Contract Program (MILC) and want to change their start date for 2010 MILC payments to November have until October 14, 2009 to request the change. Additionally, producers who currently have November as their start month and would like to change it must also make that change by October 14, 2009.

Dairy producers are allowed to change their start month an unlimited number of times throughout their enrollment in MILC provided that the changes are made:

- On or before day 14 of the month prior to the new MILC production start-month (unless that day falls on a weekend federal holiday, then the date falls to the previous business day);
- Before payment is sought;
- Before the original selected MILC production start-month has passed.

For example, if a dairy operation's current start-month for FY 2010 is January, and the dairy operation decides to change the start-month to November, the new start-month would have to be selected by October 14, 2009.

If the start-month is never changed, it will remain the same throughout the MILC contract's duration.

The MILC program compensates dairy producers when the Boston Class I milk price falls below $16.94 per hundredweight. Payments will be made on an operation-by-operation basis up to a maximum of 2.985 million pounds of milk produced and marketed by the dairy operation per fiscal year.

Dairy operations that are unsure of their start month or would like to change their start month should contact their local FSA county office.

Selected Interest Rates for October 2009	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	3.125%
Farm Ownership - Direct	5.000%
Farm Ownership Loans - Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loan -- 7 year	3.000%
Farm Storage Facility Loan -- 10 year	3.375%
Farm Storage Facility Loan -- 12 year	3.750%
Sugar Storage Facility Loan	4.125%
Commodity Loans 1996-Present	1.375%

Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 72 hours. To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at: http://www.eauth.egov.usda.gov/ followed by a visit to the county office for identity verification.

If you would like assistance establishing your account, just contact your local USDA Service Center.

Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call the county office staff, before you HAUL!

Conservation Reserve Program may be a Viable Alternative to Farming Less Productive Areas

Enrollment in the Conservation Reserve Program under Continuous Conservation Reserve Program (CCRP), Conservation Reserve Enhancement Program (CREP), or State Acres for Wildlife Enhancement (SAFE) are all viable alternatives to farming at least your less productive cropland; you know those wet holes out in the middle of the field, washouts in the crop field, or cropland around perimeters of fields that lay next to trees. These unproductive areas may be better suited for a CRP practice that can restore wetland areas, control erosion, create upland bird grass habitat for quails and pheasants, or filter pollutants from entering streams.

Annual income from these acres may be equivalent to cash rental rates over the past three years. Some practices have been known to pay as much as $200 an acre when incentive payments are included. CRP annual payments are guaranteed income for 10-15 years despite slumps in the commodity markets and adverse weather conditions that may result in poor crops.

Now is the time to inspect your fields to locate areas of crop fields that are not generating income every year. You may also be able to locate these areas from the combine monitor data.

After harvest but before getting the plow out and ordering seed and fertilizer you may want to visit your local USDA Service Center and ask a Farm Service Agency (FSA) and/or a Natural Resources Conservation Service (NRCS) employee to discuss with you conservation programs and practices that would be specifically tailored to your farm landscape.

In a time where economical decisions are as important as higher yields in insuring a profitable farming operation, conservation practices under CRP programs may fit into your budget plan. Yields would increase with less productive land out of production and input costs would be less because you would be farming fewer acres. And on top of that, you would be deriving steady income from the unprofitable cropland.

There are also CCRP practices for non-cropland areas of marginal pastureland next to streams or ditches and a wetland practice that may be installed on non-cropland areas. Don't forget about those cropland areas which need a grass waterway.

FSA can help with up to 90% of the installation cost and pay you a signing incentive payment on top of the annual payments for maintaining CRP practices for 10-15 years. Not a bad deal.

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USDA United States Department of Agriculture

Bottom line, conservation of land not only benefits the soil, air, water and wildlife, it also increases farm income. Seems like a win, win for farming and conservation. Check it out at www.fsa.usda.gov or http://www.fsa.usda.gov/FSA/stateoffapp?mystate=oh&area=home&subject=prog&topic=landing, or visit your local FSA office.

August MILC Payments for Dairy Producers

Producers participating in USDA's Milk Income Loss Contract (MILC) program will receive payments for the month of August. USDA makes MILC payments on a monthly basis when the Boston Class I milk price falls below $16.94 per hundredweight as adjusted for feed costs.

USDA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the $16.94 MILC payment trigger price, established in the 2008 Farm Bill, as adjusted for feed costs, and multiplying the difference by 45 percent. The monthly Boston Class I price along with final MILC payment rates are posted online at: http://www.fsa.usda.gov/FSA.

The MILC payment trigger price of $16.94 is adjusted upward when the National Average Dairy Feed Ration Cost for a month is greater than $7.35 per cwt. USDA's National Agricultural Statistics Service recently released the data for determining the Average Dairy Feed Ration Cost for the month of August on September 29, 2009. Using this information, the MILC payment trigger for the month of August has been adjusted to $16.94, for a final MILC payment rate of $1.64250.

For more information about the MILC program, please visit your local FSA office or go online to: http://www.fsa.usda.gov/FSA.

Dates to Remember	
Oct. 12	Columbus Day Holiday. **FSA Offices Closed.**
Nov. 6	County committee ballots mailed to voters
Nov. 11	Veterans Day Holiday. **FSA Offices Closed.**
Nov. 20	**Last day to apply** for coverage for asparagus, blueberries, caneberries, cherries, chestnuts, forage for hay and pasture, grapes, nectarines, peaches, pears, plums, strawberries, honey and maple syrup.
Nov. 26	Thanksgiving Day Holiday. **FSA Offices Closed.**
Dec. 7	**Last day** to return voted Ballots in county committee election.
Dec. 10	**Last Day** to submit an application for the Livestock Forage Disaster Program (LFP).
Dec. 25	Christmas Day Holiday. **FSA Offices Closed.**
Jan. 1	New Year's Day Holiday. **FSA Offices Closed.**
Jan. 1	Elected Committee Members and alternates take office.

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